

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 8, 1996

SUBJECT: **SB 2673 - HB 2985**

This bill, if enacted, will establish the *Tennessee Student Employment Incentive Program*. The purpose of this program is to provide Tennessee resident students enrolled at higher education institutions with greater opportunities for career-related employment as they complete their undergraduate and graduate course curricula.

The State of Tennessee shall provide reimbursement of up to 35% of wages of participating students employed by private, for-profit and non-profit employers.

The bill requires the Tennessee Student Employment Incentive Program to be phased in over a two-year period and provides that first year funding shall not exceed \$50,000 for program start-up and implementation. Funding in subsequent years shall depend on the number of work-study positions provided by companies in the private sector. The program shall be administered by the Tennessee Student Assistance Corporation with implementation funding focused on recruitment of businesses and corporations for program participation by a program coordinator and appropriate support staff.

The fiscal impact from enactment of this bill is estimated to be an increase in first year state expenditures of \$50,000 for start-up and implementation. Since funding in the second and subsequent years will be dependent on the number of work study positions provided by companies in the private sector, the increase in state expenditures cannot be reasonably determined but is estimated to exceed \$100,000.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director